

FY 2014

A Year in Review



Department of Revenue

Mission, Vision, Philosophy, and Goals

The Department of Revenue is guided by our vision, philosophy and goals. Our objective is to ensure that revenue is available to fund government programs. The Department’s statutory responsibilities include the following requirements:

- Administer the Revenue Laws
- Administer the State’s Motor Vehicle Registration and Title Laws
- Ensure Equalization of Property Values
- Administer Local Option Alcoholic Beverage Laws

MISSION

The Mission of the Department of Revenue is to be the mechanism for the citizens of the State of Mississippi to fund their public services through the accurate collection of revenue, the efficient administration of revenue and licensing systems, and the fair and equitable enforcement of all Mississippi tax laws, rules and regulations.

VISION

The Mississippi Department of Revenue works to have each employee committed to accomplish the Mission with integrity; to instill public confidence in government; to continuously improve our performance; and to provide a positive and professional workplace for our taxpayers (customers) and each other.

PHILOSOPHY

The Department of Revenue is accountable to all in the collection of revenue according to the provisions of Mississippi law. We will not assess or collect any tax or fee that is not lawfully due. We strive to work with our taxpayers (customers) to achieve the highest level of voluntary compliance.

GOALS

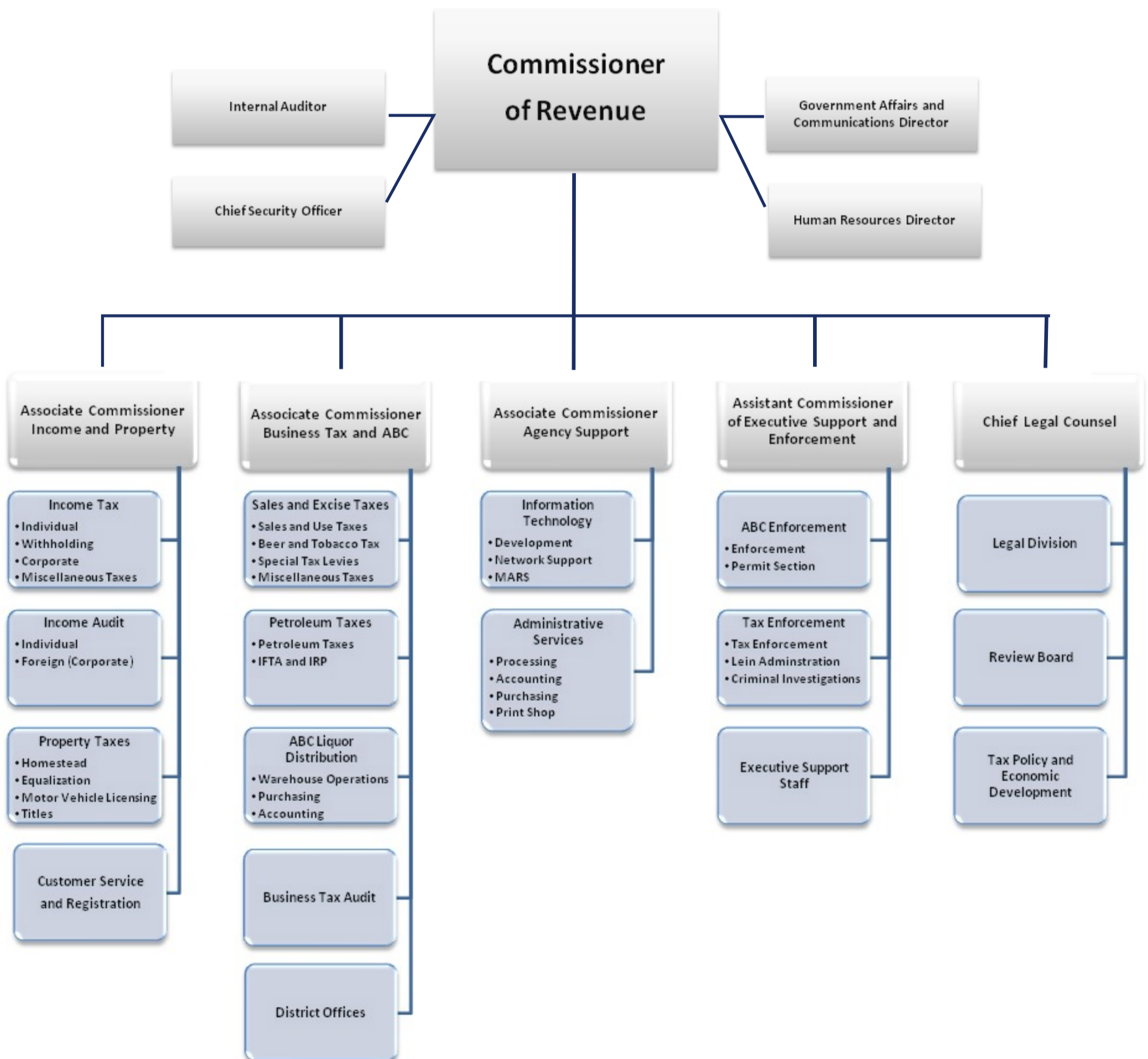
- The Department of Revenue has four basic goals that connect our Mission to our Vision.*
- Improve voluntary compliance with all Mississippi tax laws, rules and regulations.*
 - Make the DOR the most innovative, efficient agency in the state.*
 - Hire and sustain a skilled, professional, and motivated work force.*
 - Provide the highest level of quality service to the citizens of Mississippi.*

Agency Organization

The Commissioner of Revenue is the Executive Director of the Department. He is appointed by the Governor and confirmed by the Senate to serve a term of six years. Assisting the Commissioner include the Associate Commissioner of Income and Property Tax, Associate Commissioner of Business Taxes and ABC, Associate Commissioner of Agency Support, Assistant Commissioner for Executive Support and Enforcement, Chief Legal Counsel, Government Affairs and Communications Director, Chief Security Officer, Human Resources Director and the Internal Auditor.

The DOR accomplishes its mission through various programs focused on implementing tax laws, processing tax revenue and providing services to state government and the general public. The agency is an interconnected organization dedicated to continuous improvement.

The following organization chart identifies the functional areas that complete the work of the agency:



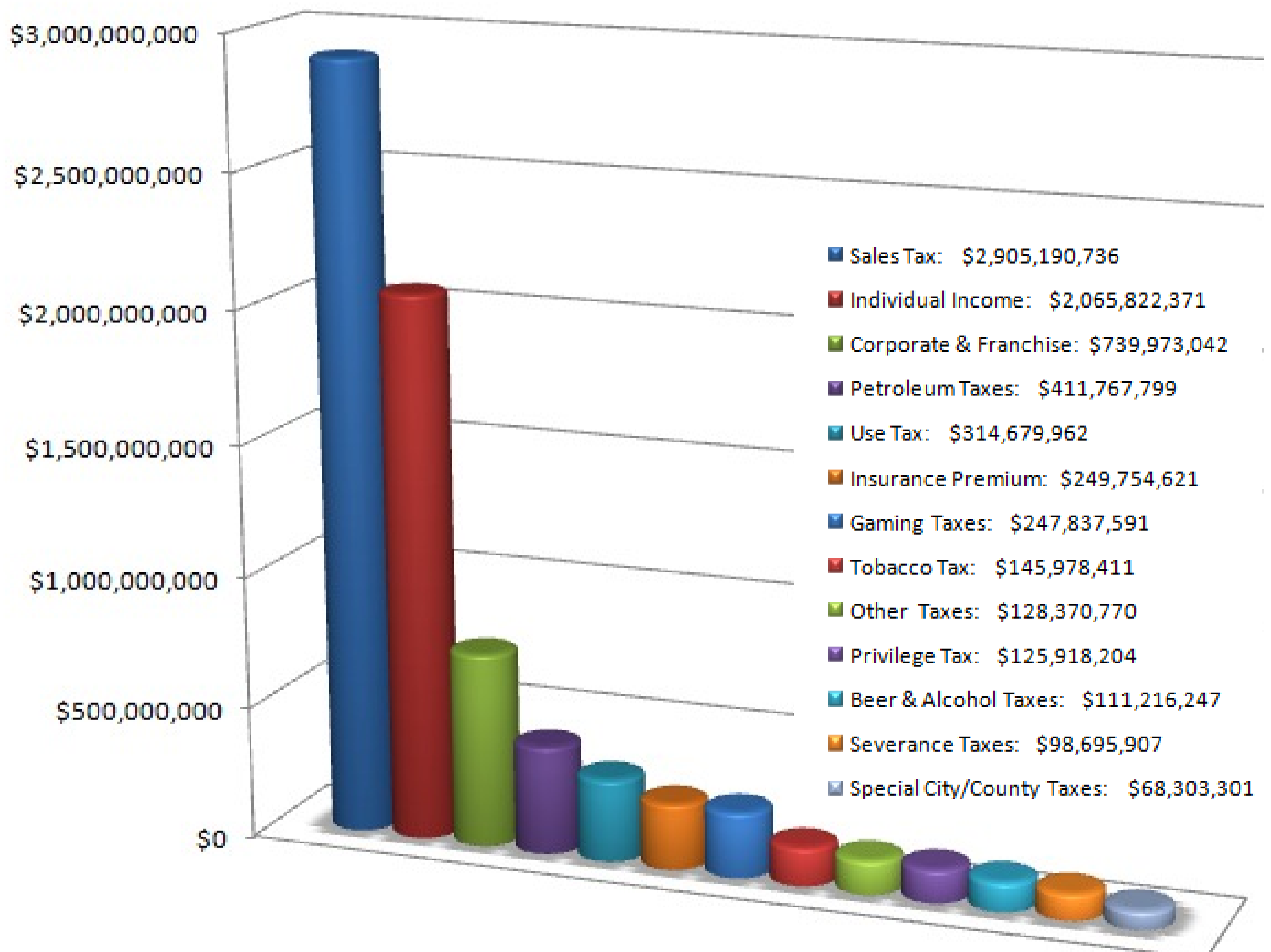
Agency Purpose

The Mississippi Department of Revenue is responsible for the majority of revenue generation and collection activities for the State, including taxation, licensing, registration, and the wholesale distribution of alcoholic beverages and enforcement of these activities. During Fiscal Year 2014, DOR collected and accounted for \$7.6 billion in total tax revenue derived from over 40 taxes from which collections were transferred to over 300 Treasury Funds.

Tax revenues collected by the Department of Revenue provide support for state operations by funding programs and services that benefit all citizens of Mississippi. Taxes collected go to education, transportation, public safety, health, management of Mississippi's natural resources, and other public services.

\$7,613,568,962

Fiscal Year 2014
Total Receipts and Disbursements
General and Special Funds

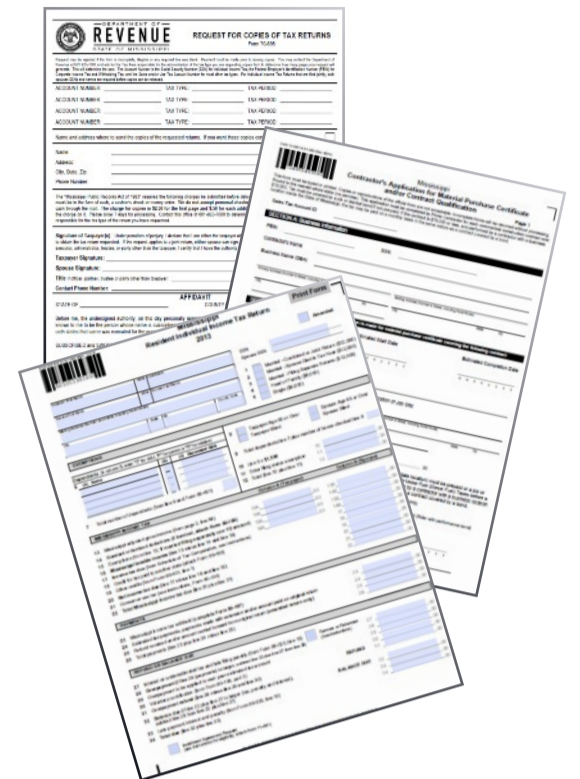


DOR cost 3/4th of 1 cent for each \$1 of revenue it collects.

Core Functions of the DOR

The following information provides an overview of the core functions that comprise the duties and responsibilities of the Department of Revenue as authorized by the laws of this state. The agency's programs include the following core functions:

- Manage receipt and disbursement of tax revenues;
- Manage and maintain taxpayer accounts;
- Provide quality customer service and assistance;
- Enforce compliance of those who refuse to voluntarily submit tax returns or pay taxes due;
- Monitor tax compliance through examination of returns;
- Protect the public health and safety in the consumption of alcoholic beverages;
- Distribute alcoholic beverages through the state controlled system;
- Ensure equalization of property values throughout the state;
- Create and maintain motor vehicle registration and title information;
- Support agency activities through administrative functions, including executive leadership, technology management, facilities management, human resources, and accounting.



Taxpayer Account administrative duties are defined by the taxes imposed by the State of Mississippi. There are over 40 state imposed taxes administered by the Department. Additionally, the DOR administers 78 Special Levies and another 14 Gaming Taxes imposed by the local governments. DOR provides assistance to the local governments in the collection of Ad Valorem Taxes, Homestead Exemption and collecting other special fund taxes, such as license plate fees.

Responsibilities include performing registration activities, licensing of businesses, responding to taxpayer inquiries, performing post audit of returns and preparing diversions, assessing additional taxes, issuing refunds, and all other requirements necessary to maintain taxpayer accounts.

Functional Areas performing these duties are comprised of several work units: Sales and Use, Income, Petroleum Taxes, Property Taxes, and ABC. Each group is responsible for of a number of different taxes which vary in purpose, application, and rule.

Number of Tax Accounts Managed by Tax Type

Income, Severance, Regulatory Taxes		Sales, Use, Other Transaction Taxes		Petroleum Taxes	
Corporate Income	35,790	911 Emergency	140	Compressed Gas	101
Pass Through Entity	91,020	Beer Permit	5,870	Environmental Protection	389
Fiduciary	16,850	Beer Excise	32	Gasoline	351
Finance Privilege	314	City Utility	79	IFTA	2,890
Gaming License	84	County Sales / Use	82	IRP	5,990
Gaming	29	Motorcycle ATV	291	Lubricating Oil	177
Individual Income	2,380,000	Motor Vehicle Rental	137	NCL Gas Fuel User	100
Insurance Premium	1,400	Occupancy	120	Seawall	86
Withholding	70,314	Prepaid Wireless	655	Special Fuel	412
Gas Severance	102	Sales	69,180	Total Accounts	10,496
Municipal Gas	33	Tire Disposal	292		
Oil Severance	97	Tobacco Permit	4,490		
Public Utility	461	Tobacco Excise	274		
Railroad Regulatory	6	Use	17,120	Alcoholic Beverages	
Statewide Privilege	162	Waste Disposal	125		
Timber Severance	95	Total Accounts	98,887	Excise & Alcohol Abuse Tax	1,927
Total Accounts	2,596,757				

Manage receipt and disbursement of tax revenues

The objective is to ensure that revenue is available to fund government programs.

General Fund Collections 1 and 5 year Growth Comparisons

	General Fund Fiscal Year 2014	FY 2013	1-year Increase	Amount of Increase	FY 2012	FY 2011	FY 2010	5-year Increase	Amount of Increase
Sales	\$1,955,112,615	\$1,911,111,884	2.30%	\$44,000,731	\$1,854,730,386	\$1,790,783,988	\$1,781,276,812	9.76%	\$173,835,803
Individual	\$1,666,791,328	\$1,650,091,463	1.01%	\$16,699,865	\$1,489,167,466	\$1,382,736,224	\$1,339,889,032	24.40%	\$326,902,296
Corporate	\$677,045,552	\$524,077,200	29.19%	\$152,968,352	\$505,305,792	\$447,978,594	\$402,751,335	68.11%	\$274,294,217
Use	\$246,321,513	\$233,461,599	5.51%	\$12,859,914	\$215,878,937	\$209,672,354	\$202,173,625	21.84%	\$44,147,888
Gaming	\$127,776,693	\$139,630,194	-8.49%	-\$11,853,501	\$152,077,204	\$146,975,811	\$155,123,038	-17.63%	-\$27,346,345
Insurance	\$229,054,109	\$177,984,141	28.69%	\$51,069,968	\$171,717,723	\$156,041,101	\$135,785,600	68.69%	\$93,268,509
Tobacco	\$145,978,411	\$150,583,793	-3.06%	-\$4,605,382	\$157,357,889	\$157,616,708	\$156,666,355	-6.82%	-\$10,687,944
ABC	\$71,524,940	\$70,016,795	2.15%	\$1,508,145	\$66,668,806	\$63,233,797	\$64,240,001	11.34%	\$7,284,939
Beer	\$30,202,280	\$30,433,462	-0.76%	-\$231,182	\$30,621,470	\$30,749,767	\$29,941,319	0.87%	\$260,961
Oil	\$72,104,299	\$77,201,648	-6.60%	-\$5,097,349	\$80,262,017	\$67,418,743	\$51,883,604	38.97%	\$20,220,695
Gas	\$4,550,109	\$5,594,409	-18.67%	-\$1,044,300	\$9,651,420	\$13,336,941	\$13,969,445	-67.43%	-\$9,419,336
Other	\$23,869,957	\$35,021,672	-31.84%	-\$11,151,715	\$35,172,328	\$33,949,644	\$37,259,853	-35.94%	-\$13,389,896
Total	\$5,250,331,806	\$5,005,208,260	4.90%	\$245,123,546	\$4,768,611,438	\$4,500,493,672	\$4,370,960,019	16.75%	\$879,371,787

Strategy: Deposit revenue as quickly as possible

- \$5.6 billion (74% of total collections) was collected electronically during FY 2014;
- DOR deposits paper checks electronically using Check-21 in order to eliminate the manual deposit of checks and to get revenue into interest bearing accounts more quickly;
- 1,007,331 payments were submitted online through TAP (Taxpayer Access Portal).

Strategy: Make information available more rapidly

- Free online filing and payment is available for 46 tax types;
- 1,355,121 returns were submitted through TAP, an increase of 73.3% over prior year;
- 206,835 active tax accounts are utilizing TAP, up 149% over the prior year;
- 48,258 taxpayers elected to go paperless, up 5000%;
- 310,996 online registration activities were performed by taxpayers, such as opening or closing accounts and updating demographics;
- 6,797 online application for permits (including MPC and Direct Pay) were made online.

Deposit revenues in a timely manner to maximize interest earnings

Distribute revenues timely and accurately to provide a funding source for other services

Make information available more rapidly and securely through imaging and scanning technology

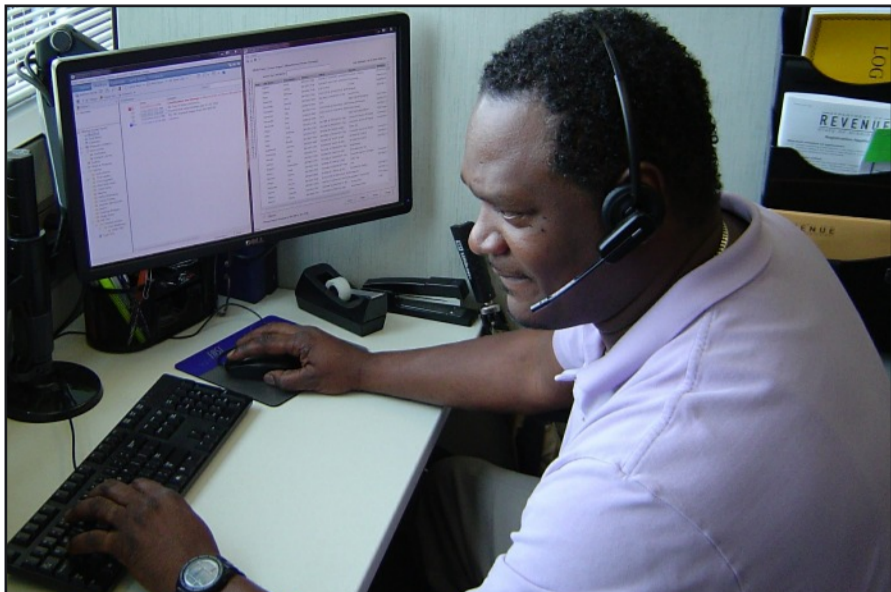
Enhance the security for electronic data and remittance submissions



10,276,492 paper tax documents were scanned into agency systems during FY 2014

Provide customer service and assistance

The Department of Revenue's customer base is one of the largest of Mississippi's governmental agencies with 2 million taxpayers. All persons with tax responsibilities to our state are customers whether located within our borders or across the nation.



Strategy: Maintain a Call Center

Providing quality assistance to Mississippi's taxpayers includes maintaining a Call Center with employees who have a broad and knowledgeable understanding of the entire DOR and its activities. This is so that questions may be answered accurately and completely, and to avoid transferring calls to other divisions.

During Fiscal Year 2014 taxpayer assistance representatives handled:

- 1,512,209 total inbound calls to a queue with 614,592 answered (41%)
- 86,079 taxpayer correspondence cases completed

Strategy: Contact taxpayers as quickly as possible once new debt is created.

DOR has begun sending taxpayers who fail to file a return, and who elect to receive email, a courtesy email 15 days after the due date of the return. This serves as a reminder to file and may help reduce penalty and interest charges. **During the past year, 77,033 emails yielded response and payments of \$51,221,397.22.**

Strategy: Expand and enhance filing and payment options

- TAP (taxpayer access portal) provides free online filing for 46 taxes. Taxpayers taking advantage of TAP increased to 122,122 taxpayers;
- DOR established a new, online option for taxpayer to create a payment plan with terms for up to 24 months for any tax;
- Additionally, taxpayers set up 1,923 Individual Income payment plans when they electronically filed their tax returns, up from 287 plans in the prior year;
- Taxpayers set up another 1,164 Individual Income payment plans with their paper-filed returns, which is up from 957 plans in the prior year.

In addition to the online option, DOR established over 2,000 other payment plans for taxpayers.



Increasing online services improves efficiency, accuracy, internal controls and taxpayer satisfaction.

**Core
Function**

Provide assistance and information to the public that is helpful and responsive

Develop effective policies to help taxpayers meet their responsibilities

Provide and encourage taxpayers to utilize web-based information and tools

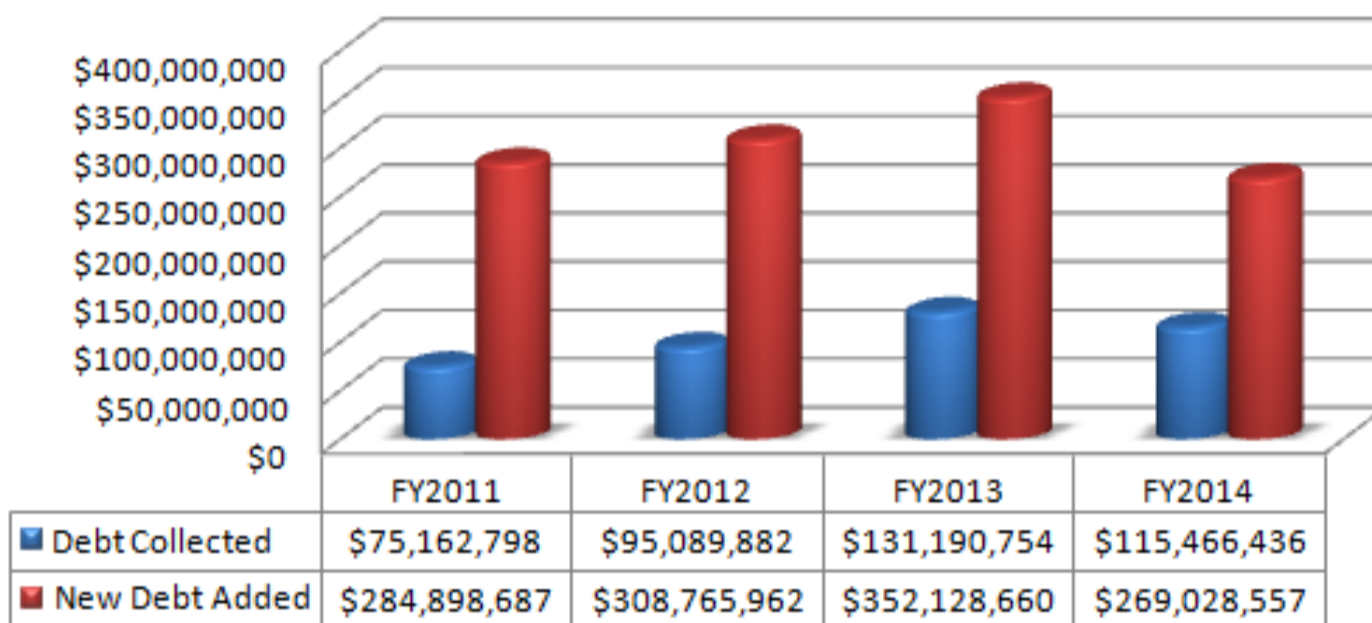
Reduce time for processing refunds

Maintain sufficient staffing of individuals who have a positive customer service ethic and awareness of the goals and principles of the DOR

Enforce compliance of those who refuse to voluntarily file and/or to remit taxes due

Our objective is to reduce tax receivables and to reduce the number of new delinquent accounts.

Delinquent Tax Collections Compared to New Debt Added to Receivables



A step in the right direction: We are seeing a slow-down in the growth of new debt as both the number of billing items and the amount of new debt added have decreased.

Reduce tax receivables

Collect delinquent taxes

Identify and register non-permitted businesses

Send monthly billing statements that are clear, informative and accurate to facilitate prompt payment

Promote a more fair tax system by providing a level playing field for compliant taxpayers

Strategy: Collect delinquent tax debt to reduce tax accounts receivables

Total Debt Collected: \$115,466,436

Bill Items Resolved: 72,069

- Finally Determined Tax Liabilities decreased \$110 million;
- New enforcement cases decreased 20.75%;
- The amount of debt for new cases decreased 3.58%.

A debt moves to finally determined tax liability status when all appeals or the time to appeal the assessment have expired.



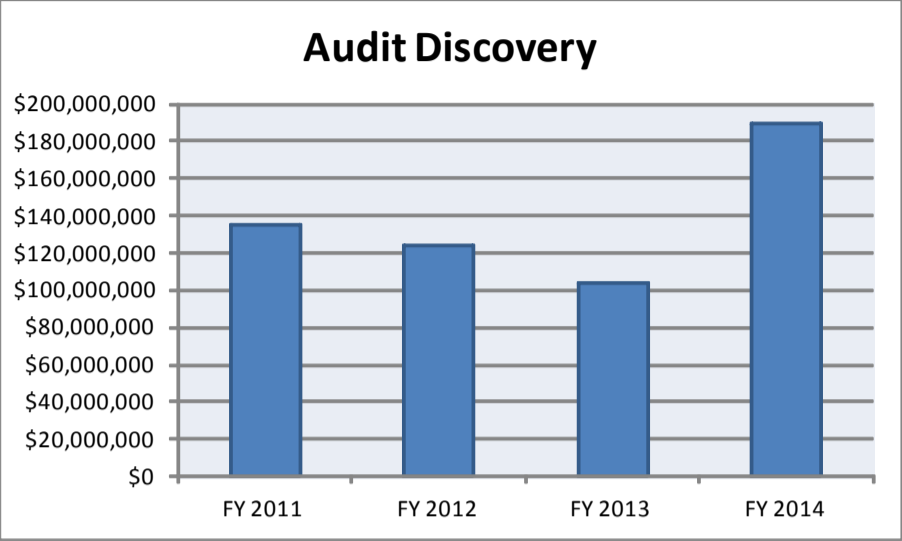
Revenue Officers collect \$27 for every \$1 of Cost

Compliance activities promote fairness and consistent treatment in the application of tax law. It helps ensure that no business gains an unfair competitive advantage over others by failing to comply with the tax laws.

Monitor compliance through examination of returns

Core
Function

Our objective is to promote voluntary compliance by auditing, discovering non-compliance, and educating taxpayers.



Strategy:

Perform audits and examinations of returns to improve voluntary compliance

- Increase discovery and recovery of non-reported income
- Review and validate information on filed returns
- Recover revenues through detection and reduction of fraudulent returns

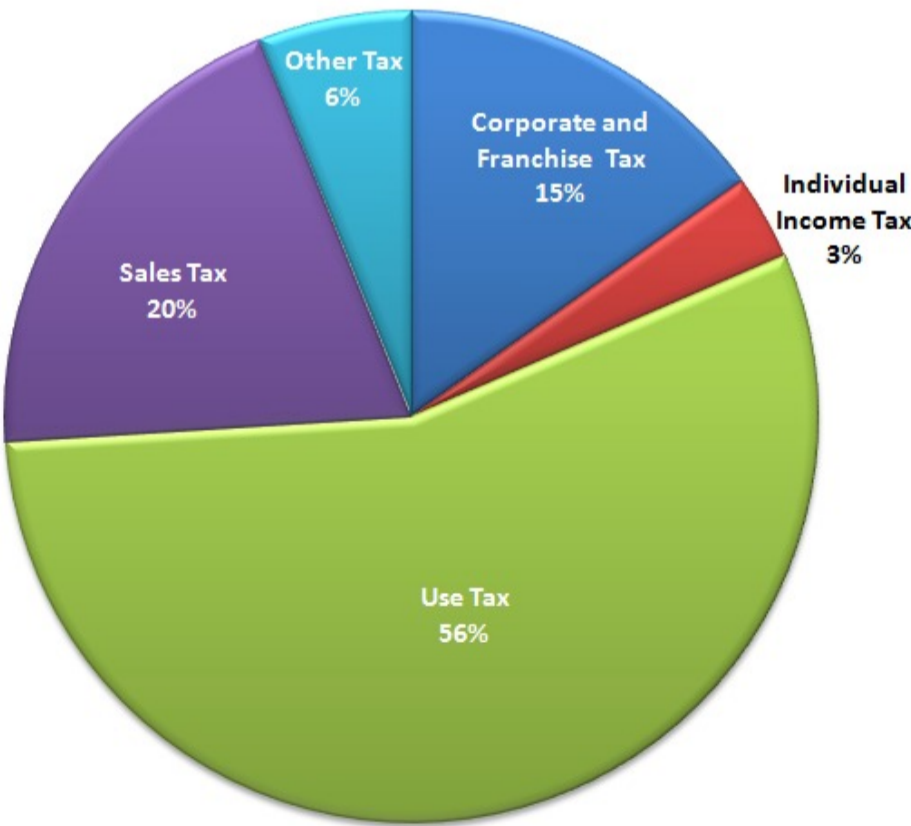
Audit Discovery by Tax Type

Corporate and Franchise Tax	\$28,766,552
Prepaid Wireless E-911 Fee	\$73,046
Environmental Protection Fee	\$330
Finance Company Tax	\$219,045
Gasoline	\$1,108
IFTA	\$17,423
Individual Income Tax	\$6,376,564
IRP	\$47,656
MVR	-\$1,426
Occupancy	\$2,385
Pass-Through Entity	\$477,106
Prepaired Wirless E911	\$52,901
Sales Tax	\$37,787,583
Special County	\$8,894,153
Special Fuel	\$365,894
Tobacco Excise Tax	\$21,727
Use Tax	\$105,334,695
Withholding Tax	\$1,383,273
Withholding Tax-Gaming	-\$9,494
Total	\$189,810,521

Number of Audits Performed: 4,531

Audits Requiring Adjustments: 84%

Audit Discovery by Tax Type



* Includes Foreign Audit and Business Tax Audit

Auditors Produce \$24 for every \$1 of Cost

Enforce Local Option and Prohibition Laws

The purpose of this program is to provide the state with an effective regulatory system for alcohol.



Strategy: Reduce access and possession of alcohol and beer by minors

ABC Enforcement continues its goal to reduce underage drinking and access to alcohol and beer in Mississippi. One strategy is working special operations in college towns and events around the state. During the last Fiscal Year:

- 712 underage persons cited for possession of alcohol, a 19.8% increase compared with prior year;
- 190 minors cited for possession of fake identification, a 14.4% decrease;
- 37 adults charged with buying for or furnishing alcohol to minors, a 15.6% increase;
- 10 adults were cited for allowing underage persons to consume alcohol on their property in violation of the Social Host Law, a 250% increase.

Strategy: Perform applicant background investigations, issue permits, and monitor compliance

ABC routinely makes site visits to permitted locations across the state. This visit is to ensure compliance as well as an opportunity to educate permit holders concerning the alcohol laws. ABC Agents performed:

- 212 new permit application investigations, a 23.9% increase over the prior year;
- 258 new manager investigations, a 21.3% decrease;
- 95 transfer permit investigations, a 15.9% decrease;
- 52 associated investigations, a 4/10th % increase;
- 1,957 compliance inspections of licensee locations, a 58.4% increase.

Strategy: Reduce illegal sales, production, and moonshine trafficking

Moonshine is an issue of public safety due to the fact that it is manufactured in an unsanitary environment and the product has a very high alcohol content, sometimes as high as 190 proof. Most people do not realize the risk of alcohol poisoning if they consume almost pure grain alcohol.

- Agents served 121 search warrants with only 5 yielding negative results; a 57% increase over the prior year;
- 25 persons were arrested for possession and trafficking moonshine; a 39% increase;
- 11 Illegal distilleries were seized and destroyed;
- 33 persons were arrested for controlled substance violations with alcohol related investigations; a 100% increase.

Promote health, welfare and safety of the general public by approving suitable alcoholic beverage applicants and premises

Reduce beer and alcohol consumption by minors through an active enforcement system

Continuously monitor licensees to ensure compliance with state law

Distribute Alcoholic Beverages through State Controlled System

Core
Function

ABC promotes the public interest through the responsible sale of alcoholic beverages.

The Alcoholic Beverage Control Division is the exclusive wholesaler of alcoholic beverages in this state. The objective for this work unit is to accurately and efficiently ship, receive, and maintain inventory control of the business that has sent \$2.4 billion to the state’s coffers since Fiscal Year 1967.

Strategy: Provide quality administration of the liquor distribution process

- Gross sales for Fiscal Year 14 were \$292,878,741.
Gross Sales have increased 7.9% over the past 2 years.
- The total warehouse costs, including renovation expenses, are 2% of total sales.
- ABC ships 3,200 cases per work hour.
- There was a 2.1% increase to the General Fund from operations over prior year.

\$ 56,593,732	Net Profit from Operations
\$ <u>46,193,691</u>	Excise and Sales Tax Collected
\$ 102,787,423	Transfers to General Fund

- There was a 3% increase in total case sales.

2,934,160 cases sold, an increase of 56,279 cases
40% of total case sales are wine; 60% are spirits
Spirits bring in 75% of dollar volume; wine 25%
- 99.9994% shipping accuracy attained

Ensure accurate timely distribution and delivery of liquor products to retail permittees

Modernize warehousing and distribution facilities to improve the efficiency of operations

Provide quality administration of the liquor distribution process.

Liquor Distribution returned \$9.57 in net profit for each \$1 of cost.

Adding excise and sales taxes collected with the sale of alcoholic beverages, \$1 cost returned \$17.39.



90% of all alcohol is sold by the 563 package stores in Mississippi

The top 180 package stores (32%) sell 73% of the total.

There are 1,240 On-Premises Permitted Businesses.

Create and Maintain Motor Vehicle Registration and Title Information



Strategy: Issue Titles for Vehicles and Manufactured Homes

- Increased number Titles issued by 8% (915,404) with 46,251 of those FastTrack Titles;
- Received an average of 10,000 Title applications daily;
- Averaged 3-4 weeks to process a Title, an improvement from prior year's 5-6 week average;
- Received 150,625 calls through the queue and answered 85% of those calls, a 2% decrease compared to prior year;
- Assisted 16,462 walk-in customers at the Customer Service Window, a 4% increase.

Deliver secure and valid licenses plates to counties

Issue tags for interstate trucking

Authenticate and validate title applications and create a record to properly identify the owner

Perfect security interests on vehicle records when proper documentation is supplied

Maintain registration network with records accessible by law enforcement and counties

Provide assistance to law enforcement in the investigation of motor vehicles

Identify and integrate best practices to mitigate fraud and protect personal information

Strategy: Deliver and/or Issue License Plates

- Maintained registration information for 2.9 million active license plates and decals;
- Issued license plates and decals to the 82 county offices;
- Issued 115,738 tags for big trucks and government vehicles;
- Issued 29,682 seven-day Temporary Licenses and 2,637 three-day In-Transit Licenses;
- Issued 4,029 Motor Vehicle Dealer Licenses and 7,385 Motor Vehicle Dealer tags.
- Audited 9,035 County reports to ensure proper accounting;
- Prepared and manually entered data for Legislative Tag Credit provided to taxpayers and transferred the reimbursement to the Tax Collector's offices;
- Printed annual renewal notices for 2.9 million passenger license plates for the benefit of the counties and taxpayers
- Performed accounting of privilege tax revenues and made transfers to counties, state agencies, special organizations and general fund.



We serve the public by ensuring the integrity and security of vehicle information.

Ensure equitable and uniform assessments of real and tangible personal property throughout the state

Core
Function

The Mississippi Constitution requires that taxation of property is uniform and equal throughout Mississippi. Property Tax is collected by the County Tax Assessors and Collectors on behalf of county and city governments and the local school boards.

Strategy: Provide training, guidance, and technical assistance to county tax assessors including a certification program.



- Provided training for 17 students in DOR Certified Appraiser School
- Provided annual re-certification classes for 500+ existing certified appraisers
- Performed testing and other services for those holding designations above Certified Appraiser

Strategy: Perform timely and accurate distribution of county reimbursement funds

- Allocated and reimbursed \$81.1 million to counties, cities and school districts for Homestead Exemption.

Strategy: Aid and assist local governments

- Assessed collected and distributed \$52.5 million in lieu taxes (rail car, TVA, and nuclear) for local governments and school boards
- Performed property tax assessment function for railroads and other public service corporations providing \$2.75 billion in assessed value to local governments and taxed at the local level

Strategy: Perform audits in each county including at least 3 Personal Property audits, 3 Real Property audits and 3 and Mapping and Industrial audits.

- DOR discovered over \$41 million of true value assessment errors in real and personal property and mapping.

- Develop personal property assessment manuals for use by assessors to promote uniformity
- Calculate and perform Homestead Reimbursement of funds allocated by Legislature
- Conduct ratio studies to determine whether assessments are within the acceptable variance
- Develop curriculum and conduct property appraisal training
- Develop assessment methods and procedures for assessing public utilities, railroads and pipelines

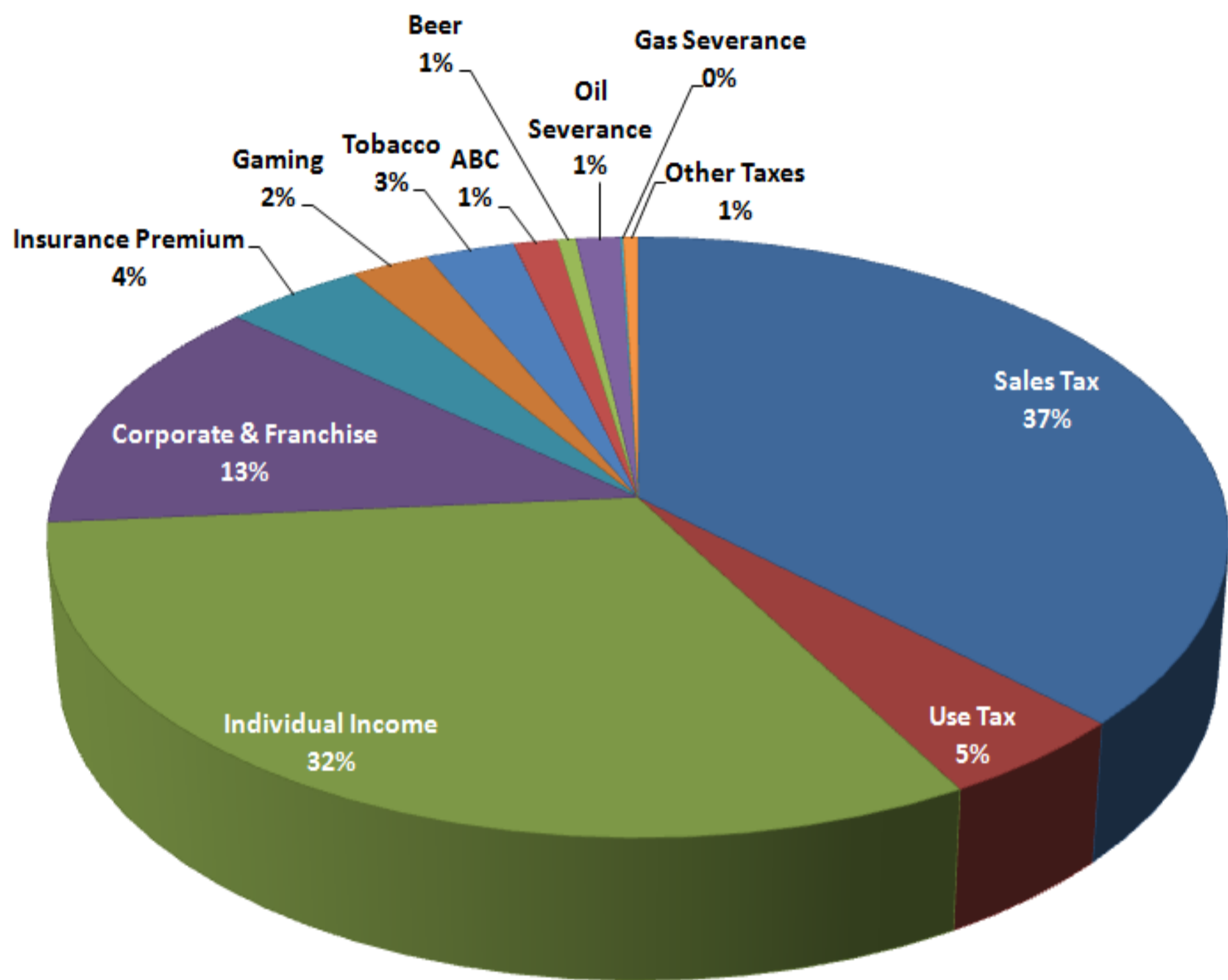
Property Tax Performance Indicators

Types of Property	True Value			Assessed Value		
	Over	Under	Total	Over	Under	Total
Personal Property	\$ 5,825,186.00	\$ 7,595,962.00	\$ 13,421,148.00	\$ 1,045,887.00	\$ 1,499,571.00	\$ 2,545,458.00
Real Property	\$ 1,736,737.00	\$ 4,207,551.90	\$ 5,944,288.90	\$ 204,914.50	\$ 530,265.73	\$ 735,180.23
Mapping	\$ 8,106,028.00	\$ 5,815,825.00	\$ 13,921,853.00	\$ 1,215,904.20	\$ 872,373.75	\$ 2,088,277.95
Industrial	\$ 1,713,395.00	\$ 6,201,452.00	\$ 7,914,847.00	\$ 257,009.25	\$ 930,217.80	\$ 1,187,227.05
Total	\$ 17,381,346.00	\$ 23,820,790.90	\$ 41,202,136.90	\$ 2,723,714.95	\$ 3,832,428.28	\$ 6,556,143.23

Our objective is to facilitate efficient administration Mississippi’s property tax laws.

General Fund Receipts

Tax revenues collected by the DOR provide support for state operations by funding programs and services that benefit all citizens of Mississippi. DOR collected 97% of the State’s General Fund for Fiscal Year 2014.



Individual	\$1,666,791,328
Corporate	\$677,045,552
Use	\$246,321,513
Gaming	\$127,776,693
Insurance	\$229,054,109
Tobacco	\$145,978,411
ABC	\$71,524,940
Beer	\$30,202,280
Oil	\$72,104,299
Gas	\$4,550,109
Other	\$23,869,957
Total	\$5,250,331,806

Total General Fund Receipts
Fiscal Year 2014

\$5,250,331,806

“All funds collected by the Commissioner of Revenue and by the Department of Revenue under the provisions of any law are designated as public funds of the State of Mississippi. All such funds shall be deposited in the State Treasury on the same day in which the funds are collected...” MCA § 27-3-57

Total Transfers and Distributions of Agency Collections

Tax Type	Total Transfers	Transfer to General Fund	Transfers to Special Funds	Amounts to Special Funds	
Sales Tax	\$2,905,190,736	\$1,955,112,615	\$950,078,120	\$407,815,310	Municipalities
				\$276,440,265	Education Enhancement
				\$173,093,465	MV Ad Valorem Reduction
				\$42,000,000	School Ad Valorem
				\$19,999,992	Public School Building
				\$3,000,000	State Aid Road
				\$9,365,088	Vehicle Rental Sales Tax
				\$4,009,347	Four Lane Construction
				\$458,255	MS Fair Commission
				\$341,454	MS Dept. of Agriculture
				\$804,253	Airport Parking
				\$8,141,645	Telecommunications
				\$1,292,968	Incentive Fund, MDA
				\$1,516,079	Incentive Fund, Tourism
				\$1,800,000	Job Training Grant, MDA
				\$950,078,120	Total Special Funds
Use Tax	\$314,679,962	\$246,321,513	\$68,359,449	\$34,321,896	MV Ad Valorem Reduction
				\$4,000,000	School Ad Valorem
				\$30,036,553	Education Enhancement
				\$68,358,449	Total Special Funds
Individual Income	\$2,065,882,371	\$1,666,791,328	\$399,091,043	\$12,105,353	Advantage Job Incentive
				-\$756,505	Existing Industry Tax Rebate
				\$890,128	Production Company Rebate
				\$2,575,821	MMEIA Rebate Fund
				\$383,802,788	Refund Account
				\$473,459	Withheld Tax Collection Fee
				\$399,091,043	Total Special Funds
Corporate & Franchise	\$739,973,042	\$677,045,552	\$62,927,490	\$62,927,490	Refund Account
Insurance Premium	\$249,754,621	\$229,054,109	\$20,700,512	\$8,122,133	Municipalities
				\$8,122,134	Counties
				\$4,223,880	State Fire Academy
				\$232,364	City of Jackson
				\$20,700,512	Total Special Funds
Gaming Taxes	\$247,837,591	\$127,776,693	\$120,060,898	\$39,704,564	Counties
				\$44,356,334	Municipalities
				\$36,000,000	Highway Bond Sinking Fund
				\$120,060,898	Total Special Funds
Tobacco Tax	\$145,978,411	\$145,978,411	\$0	\$0	
Beer & Light Wine	\$30,202,280	\$30,202,280	\$0	\$0	
Alcoholic Beverages	\$81,013,967	\$71,524,940	\$9,489,027	\$320,535	Counties
				\$2,472,890	Municipalities
				\$6,695,602	Department of Mental Health
				\$9,489,027	Total Special Funds
Oil Severance	\$88,050,275	\$72,104,299	\$15,945,976	\$15,945,976	Counties
Sub-Totals this page		\$6,868,563,256	\$5,221,911,741	\$1,646,652,514	

Total Transfers and Distributions of Agency Collections

Tax Type	Total Transfers	Transfer to General Fund	Transfers to Special Funds	Amounts to Special Funds	
Gas Severance	\$6,949,718	\$4,550,109	\$2,399,609	\$2,399,609	Counties
Timber Severance	\$3,695,914	\$2,959	\$3,692,954	\$741,151 \$2,951,803 \$3,692,954	Counties Timber Resources Total Special Funds
Statewide Privilege	\$709,834	\$709,834	\$0	\$0	
Finance Privilege	\$9,056,736	\$9,056,736	\$0	\$0	
Estate	\$4,463	\$4,463	\$0	\$0	
Casual Auto Sales	\$6,991,699	\$0	\$6,991,699	\$6,991,699	MV Ad Valorem Reduction
Titles	\$10,037,529	\$0	\$10,037,529	\$10,037,529	DOR Fee
Petroleum	\$411,767,799	\$708,300	\$411,059,499	\$285,247,107 \$52,623,704 \$41,037,651 \$3,008,387 \$5,697,689 \$1,656,365 \$1,581,287 \$191,781 \$123,182 \$9,126,353 \$3,050,000 \$319,124 \$1,646,869 \$5,750,000 \$411,059,499	Dept. of Transportation State Aid Road Fund Counties Counties Raod Protection Sea Wall Coast Counties Groundwater Trust Fund Municipalities Railroad Revitalization Fund Propane Education Fund IFTA Dept. of Marine Resources Fire Marshall Aeronautics Commission Dept. of Wildlife Conservation Total Special Funds
Privilege	\$125,918,204	\$9,758,927	\$116,159,277	\$52,825,083 \$15,405,329 \$23,040 \$11,313,480 \$26,613,594 \$2,160 \$432,384 \$568,570 \$264,657 \$257,904 \$544,320 \$10,325 \$64,325 \$516,421 \$4,212,997 \$4,944 \$3,059,976 \$34,080 \$5,688 \$116,159,277	Dept. of Transportation Four Lane Highway Project Dept. of Marine Resources Trauma Care Fund Counties Volunteer Services Comm. Mailing Fees Apportioned Tags MS Burn Care Fund Veterans Nursing Home Wildlife Heritage Soil & Water Conservation Ed. Animal Care Fund New Capitol R & R Specialty Plate Fees MS Athletic Commission License Plate Acquisition Dept. of Ed. Support Teachers MS Board of Contractors Total Special Funds
Nuclear In Lieu	\$20,000,000	\$1,200,000	\$18,800,000	\$11,196,450 \$7,603,550 \$18,800,000	Counties Municipalities Total Special Funds
TVA In Lieu	\$24,326,587	\$2,410,370	\$21,916,217	\$11,257,168 \$5,159,200 \$5,499,849 \$21,916,217	Counties Municipalities School Districts Total Special Funds
Sub-Totals this page		\$619,458,483	\$28,401,699	\$591,056,783	

Total Transfers and Distributions of Agency Collections

Other Collections and Transfers

	Total Transfers	Total to General Fund	Total to Special Funds
ATV Motorcycle Sales / Trauma Care Fund	\$1,222,827		\$1,222,827
City and County Special Levies	\$68,303,301		\$68,303,301 ⁵
City Utility Tax, Municipalities	\$569,913		\$569,913
Collection Fees	\$2,765,212		\$2,765,212
E911 Minimum Standards Service Charge	\$1,589,291		\$1,589,291
Hazardous Waste Tax, Counties	\$14,699		\$14,699
Hazardous Waste Tax, MS DEQ	\$34,297		\$34,297
Interest on Deposits	\$356	\$356	\$0 ⁴
Municipal Gas Utility Regulation	\$26,587	\$1,697	\$24,890 ⁴
Non-Hazardous Waste, Environmental Protection Trust	\$3,901,543		\$3,901,543
Occupancy Tax, MS Telecommunication Facility	\$577,280		\$577,280
Prepaid Wireless / CMRS Board	\$5,248,682		\$5,248,682
Prepaid Wireless E911 Collection Fee	\$107,316		\$107,316
Public Utility Regulatory Fund	\$8,740,461	\$16,314	\$8,724,147 ⁴
Railcar In Lieu	\$4,949,502		\$4,949,502
Railroad Regulation	\$201,000		\$201,000 ⁴
Refund Accounts	\$22,882,961		\$22,882,961
Sales and Services, outside	\$495,354		\$495,354 ⁴
Tobacco Mailing Fees	\$2,870		\$2,870
Warrant Fees	\$1,678,618		\$1,678,618
Waste Tire, Environmental Protection Trust	\$2,235,156		\$2,235,156
<i>Total Other Transfers</i>	\$125,547,226	\$18,367	\$12,552,859
<i>Sub-Total, page 26</i>	\$6,868,563,256	\$5,221,911,741	\$1,646,652,514
<i>Sub-Total, page 27</i>	\$619,458,483	\$28,401,699	\$591,056,783
Total Transfers	\$7,613,568,962	\$5,250,331,806	\$2,363,237,156

Notes:

- 1. AMS Settlement is no longer collected
- 2. The negative amount for “existing industry tax rebate” is due to a prior year adjustment
- 3. Finance Privilege Tax is also known as the Installment Loan Tax
- 4. These amounts are included as “miscellaneous” taxes on schedules A and B
- 5. Amounts paid to the counties and cities are found in Sales Tax section of the Annual Report

“...The Commissioner of Revenue shall determine amounts due all municipalities, counties and such special funds as provided by law and shall certify to the State Treasurer at the end of each month the amount due each municipality, county or special fund...” MCA § 27-3-57

Selected Special Fund Transfers

Transfers Made for Local Government Support

	FY 2014	FY 2013
Municipalities		
Sales Tax	\$407,815,310	\$398,002,145
Gaming Taxes and Permits	\$44,356,334	\$46,291,860
Insurance Premium <i>(fire protection)</i>	\$8,122,133	\$8,047,318
ABC Permits	\$2,472,890	\$2,432,745
In Lieu Property Taxes	\$12,787,084	\$13,857,261
City Special Levies	\$47,150,513	\$43,028,488
City Utility Tax	\$569,913	\$576,716
Total Transfers	\$523,274,177	\$512,236,533
Counties		
Gaming Taxes and Permits	\$39,704,564	\$43,013,611
Insurance Premium <i>(fire protection)</i>	\$8,122,134	\$7,806,580
ABC Permits	\$320,535	\$344,375
Oil Severance	\$15,945,976	\$17,486,811
Gas Severance	\$2,399,609	\$2,886,923
Timber Severance	\$741,151	\$698,534
License Tags <i>(big trucks)</i>	\$26,613,594	\$25,681,890
In Lieu Property Taxes	\$27,413,578	\$24,439,411
MV Rental Sales Tax	\$7,002,806	\$6,587,748
County Special Levies	\$21,152,788	\$20,845,122
Total Transfers	\$149,416,735	\$149,791,005

Transfers Made to Support Transportation

	FY 2014	FY 2013	source
Dept of Transportation	\$338,072,200	\$332,921,486	Motor Fuel Tax, Tag Fees
Four Lane Highway Project	\$19,414,676	\$21,355,456	Tags, Sales Tax
State Aid Road	\$55,623,704	\$55,194,660	Motor Fuel, Sales Tax
Road Construction Bond Sinking Fund	\$36,000,000	\$36,000,000	Gaming
Counties <i>(designated road use)</i>	\$49,743,727	\$49,720,339	Motor Fuel Taxes
Municipalities <i>(road use)</i>	\$1,581,287	\$1,581,287	Motor Fuel Taxes
Total Transfers	\$500,435,594	\$496,773,228	

Transfers Made to Support Education

	FY 2014	FY 2013	source
Public School Building Fund	\$19,999,992	\$19,999,992	Sales Tax
School Ad Valorem Reduction Fund	\$46,000,000	\$46,000,000	Sales Tax, Use Tax
Education Enhancement	\$306,476,818	\$296,710,130	Sales Tax. Use Tax
Department of Education <i>(Support Teachers)</i>	\$34,080	\$33,720	Specialty Plate
TVA in Lieu Schools Allocation	\$5,499,849	\$6,521,349	Property Tax
Total Transfers	\$378,010,739	\$369,265,191	

Transfers Made to Ad Valorem Reduction Fund (Vehicle Tag Credit)

	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	source
Tax Transfers to Fund	\$214,407,060	\$201,730,962	\$182,987,716	\$166,776,171	\$148,780,050	Sales, Use, Casual Auto Sales Taxes
Reimbursement Payments to Counties	\$203,011,465	\$197,816,190	\$178,984,271	\$136,530,785	\$145,809,935	
Tag Credit Percentage	6%	6%	5.75%	4.25%	4.25%	
Transfers from the Fund Made by Legislature	-\$17,000,000 <i>(May 2014)</i>	-\$52,000,000 <i>(April 2013)</i>			+52,000,000 <i>(June 2009/July 2010)</i>	